

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6316**

**BILL NUMBER:** SB 413

**NOTE PREPARED:** Jan 17, 2013

**BILL AMENDED:** Jan 15, 2013

**SUBJECT:** Electronic Benefit Cash Assistance Access.

**FIRST AUTHOR:** Sen. Miller Patricia

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
X FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires an owner, vendor, or third-party processor of an automated teller machine or point-of-sale terminal to disable access to electronic cash assistance benefits in specified prohibited locations. The bill requires the Division of Family Resources (DFR) to assist owners, vendors, and third-party processors in carrying out this provision.

The bill also makes it a Class B infraction for a person to violate these provisions.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** The bill requires the DFR to provide assistance for disabling access to the cash assistance benefits to an owner, vendor, or third-party processor of an ATM or point-of-sale terminal. It is unclear as to what assistance the DFR would be required to provide under the bill. FSSA reports that they are not aware of technology changes that would allow for the DFR to disable access only to electronic cash assistance benefits at prohibited locations. FSSA reported that they have started tracking illegal withdrawals. [No tracking data is available at this time.]

DFR receives 50% federal administrative match for qualified activities under the Supplemental Nutritional Assistance Program (SNAP or Food Stamps) and Medicaid. The DFR also receives federal Temporary Assistance to Needy Families (TANF) block grant funds for the administration of the TANF program.

**Explanation of State Revenues:** *Penalty Provision:* The bill would establish a Class B infraction for allowing electronic access to cash assistance benefits in certain locations. The maximum judgment for a Class B

infraction is \$1,000, which would be deposited in the state General Fund. However, any additional revenue is likely to be small.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

**State Agencies Affected:** Family and Social Services Administration (FSSA), DFR.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** FSSA.

**Fiscal Analyst:** Kathy Norris, 317-234-1360.